

## Responding to Rural Job Loss: The Virginia Example

Plant closings in the textile and apparel industries have resulted in a loss of more than a third of all U.S. jobs in those industries since August 2000. Because these jobs are disproportionately located in nonmetro counties, the closings have had a major impact on rural areas. In response to large local job losses in rural communities, the Commonwealth of Virginia established Coordinated Economic Relief Centers (CERCs) in early 2002 to provide dislocated workers and other low-income residents access to a broad range of programs and services in one location.

Nonmetro counties of Southside Virginia, bordering North Carolina, were particularly hard hit by plant closings due to the concentration of textile, apparel, and furniture plants in the area. The Martinsville area, with a population of 93,000, lost 9,000 jobs over 1999-2002. Pillowtex, a towel-manufacturing plant in Henry County, announced that it was going out of business in 2003, thus eliminating an estimated 1,000 additional jobs in the area.

Operated by the Virginia Employment Commission and based on the Federal Emergency Management Agency's model of a single point of contact for natural disasters, CERCs provide a one-stop location for assistance in rural counties. Employment counseling and training are the primary services provided at the CERCs, but social services,

health/mental health services, child support enforcement, and emergency assistance are also available. CERCs have partnered with community colleges, and also with nonprofit organizations such as faith-



Monica Hylton, Virginia Employment Commission

based organizations to provide emergency food assistance and other services.

An ERS-funded study of the Virginia initiative found that the CERCs helped customers obtain information about a variety of services more conveniently. The CERCs also improved communication among partnering agencies and strengthened ties among community service providers. This cooperation led to improved service delivery in the community, which resulted in low-income customers who were better informed about available employment services.

Operating the CERCs increased staff workload and strained the resources of the partnering agencies and organizations significantly. Office space was also insufficient. Service integration among agencies was limited due to the short setup time for opening CERCs. With Federal encouragement for States to co-locate services, the Virginia CERC experience helps in understanding the difficulties involved. Despite implementation challenges, the Virginia CERCs illustrate a useful strategy to help States respond to large job losses in rural communities. **W**

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**This article is drawn**

**from . . .**

*Using One-Stops To Promote Access to Work Supports—Lessons From Virginia's Coordinated Economic Relief Centers: Final Report*, by Diane Paulsell and Melissa Ford, ERS project repre-

sentative: Karen S. Hamrick, E-FAN-03-010, USDA/ERS, November 2003, available at: [www.ers.usda.gov/publications/efan03010/](http://www.ers.usda.gov/publications/efan03010/)

### Coordinated Economic Relief Centers: Locations and service areas in Virginia

| CERC location | Service area  | Population                 | Job loss from plant closings |
|---------------|---|----------------------------|------------------------------|
| Marion        | Smyth County  | 33,081                     | 2,380 over 1998-2002         |
| Martinsville  | Martinsville City<br>Patrick County<br>Henry County | 57,930<br>15,416<br>19,407 | } 9,000 over 1999-2002       |
| South Boston  | Halifax County                                      | 37,355                     |                              |
| Clarksville   | Mecklenburg County                                  | 32,380                     |                              |

Source: Population is from 2000 Census of Population; job loss is from the Virginia Employment Commission.